## FINAL BILL REPORT E2SSB 5399

## C 309 L 21

Synopsis as Enacted

**Brief Description:** Concerning the creation of a universal health care commission.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Randall, Cleveland, Das, Dhingra, Frockt, Hunt, Kuderer, Liias, Lovelett, Nguyen, Nobles, Robinson, Saldaña, Stanford, Van De Wege, Wellman and Wilson, C.).

Senate Committee on Health & Long Term Care Senate Committee on Ways & Means House Committee on Health Care & Wellness House Committee on Appropriations

**Background:** In 2019, the Legislature established a universal health care work group. The work group issued its final report on January 15, 2021. It defined universal health care to mean that all Washington residents can access essential, effective, appropriate, and affordable health care services when and where they need it, and developed three coverage models. Models A and B are designed to provide coverage for all state residents, including those currently covered by federal programs, and undocumented immigrants. The models would provide coverage for essential health benefits and include no cost sharing. Model A would achieve this through a state-governed and administered program while Model B would be a state-governed, but health plan administered program. Model C would offer coverage to a segment of Washingtonians—those who do not have access to affordable coverage through a public program, an employer, or in the individual market. It is primarily designed to increase coverage for uninsured undocumented immigrants.

**Summary:** The Universal Health Care Commission (Commission) is established for the purpose of creating immediate and impactful changes in Washington's health care access and delivery system and to prepare the state for the creation of a health care system to provide coverage and access through a universal financing system, including a unified financing system, once federal authority has been acquired.

The Commission shall include the following voting members:

Senate Bill Report - 1 - E2SSB 5399

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

- one member from each of the two largest caucuses of the House of Representatives and one member from each of the two largest caucuses of the Senate;
- the secretary of the Department of Health, or the secretary's designee;
- the director of the Health Care Authority (HCA), or the director's designee;
- the chief executive officer of the Washington Health Benefit Exchange, or the chief executive officer's designee;
- the Insurance Commissioner, or the commissioner's designee;
- the director of the Office of Equity, or the director's designee; and
- six members appointed by the Governor, using an equity lens, who have knowledge and experience regarding health care coverage, access, and financing, including at least one member who is a consumer representative and at least one invitation to a representative of tribal governments with knowledge of Indian health care delivery.

The Governor must appoint one of the Commission members to be the chair for no more than three years. The Commission may establish advisory committees that include members of the public who are not on the Commission. The HCA is responsible for staffing the Commission and publishing meeting dates, agendas, and meeting materials on its website.

The Commission must submit a baseline report to the Governor and the Legislature by November 1, 2022. The baseline report must include:

- a synthesis of existing analyses of Washington's health care finance and delivery system, including cost, quality, workforce, and provider consolidation trends and how they impact the state's ability to provide all Washingtonians with timely access to high-quality, affordable health care;
- an inventory of key elements of a universal health care system, including:
  - 1. a financing system;
  - 2. eligibility and enrollment processes;
  - 3. covered benefits;
  - 4. provider participation;
  - 5. efficient provider payments;
  - 6. cost containment, savings, and quality improvement strategies;
  - 7. initiatives for improving culturally appropriate health services within public and private health-related agencies;
  - 8. participant cost sharing;
  - 9. strategies to reduce health disparities;
  - 10. information technology systems and financial management systems;
  - 11. data sharing and transparency; and
  - 12. governance and administrative structure;
- an assessment of the state's current level of preparedness related to the key design elements and steps the state should take to prepare for a just transition to a unified health care financing system, including recommendations regarding administrative changes, reorganization of state programs, retraining programs for displaced workers, federal waivers, and statutory and constitutional changes;

- a strategy for developing implementable changes to increase health care access, reduce health care costs, reduce health disparities, improve quality, and prepare for the transition to a unified health care financing system:
  - 1. the Commission must examine data and reports from sources that are monitoring the health care system, such as the Health Care Cost Transparency Board, the Public Health Advisory Board, the Governor's Interagency Coordinating Council on Health Disparities, the All-Payer Claims Database, prescription drug price data, and performance measure data;
- recommendations for coverage expansions to be implemented prior to and consistent with a universal health care system;
- recommendations for implementing reimbursement rates for health care providers serving medical assistance requirements at a rate no less than 80 percent of the rate paid by Medicare; and
- recommendations for the creation of a finance committee to develop a financially feasible model to implement universal health care coverage using state and federal funds.

Following the release of the baseline report, the Commission must work to identify opportunities to implement reforms to the current health care system and structural changes to prepare the state for a unified health care financing system. The Commission must submit annual reports detailing its work, opportunities to advance changes to the health care system, and which of those opportunities a state agency is implementing, which require legislative authority, and which require federal authority.

The Commission is not authorized to implement a universal health care system through a unified financing system until further action is taken by the Legislature and the Governor. The HCA, however, must begin any federal application process within 60 days of its availability.

The Commission must hold its first meeting within 90 days of the effective date of the act.

## **Votes on Final Passage:**

Senate 28 20

House 57 40 (House amended) Senate 28 21 (Senate concurred)

Effective: July 25, 2021